

REMARKS

The claims have been amended to more clearly define the invention as disclosed in the written description. In particular, claim 4 has been amended for clarity.

Applicants believe that the above change answers the Examiner's objection to claim 4 and respectfully request withdrawal thereof.

The Examiner has rejected claim 25 under 35 U.S.C. 101, in that the claimed invention is directed to non-statutory subject matter.

Applicants believe that the Examiner is mistaken. In particular, as indicated in MPEP §2106.01:

"Descriptive material can be characterized as either "functional descriptive material" or "nonfunctional descriptive material." In this context, "functional descriptive material" consists of data structures and computer programs which impart functionality when employed as a computer component. (The definition of "data structure" is "a physical or logical relationship among data elements, designed to support specific data manipulation functions." The New IEEE Standard Dictionary of Electrical and Electronics Terms 308 (5th ed. 1993).) "Nonfunctional descriptive material" includes but is not limited to music, literary works, and a compilation or mere arrangement of data.

"Both types of "descriptive material" are nonstatutory when claimed as descriptive material per se, 33 F.3d at 1360, 31 USPQ2d at 1759. When functional descriptive material is recorded on some computer-readable medium, it becomes structurally and functionally interrelated to the medium and will be statutory in most cases since use of technology permits the function of the descriptive material to be realized. Compare *In re Lowry*, 32 F.3d 1579, 1583-84, 32 USPQ2d 1031, 1035 (Fed. Cir. 1994) (discussing patentable weight of data structure limitations in the context of a statutory claim to a data structure stored on a computer readable medium that increases computer

efficiency) and >In re< Warmerdam, 33 F.3d *1354,< 1360-61, 31 USPQ2d *1754,< 1759 (claim to computer having a specific data structure stored in memory held statutory product-by-process claim) with Warmerdam, 33 F.3d at 1361, 31 USPQ2d at 1760 (claim to a data structure per se held nonstatutory)."

Applicants assert that the encoded data as described in claim 25 is functional descriptive material, such as the data structure in In re Lowry, and that when such functional descriptive material is recorded on some computer readable medium, then the claim is statutory.

Applicants further refer the Examiner to *Ex parte Nuijten*, 84 USPQ2d 1335, 1339 (BPAI 2006), where the Board states:

"Claim 15 recites 'a storage medium having stored thereon a signal with embedded supplemental data.' This claim depends on the distinction between 'functional descriptive material' and 'nonfunctional descriptive material' described in MPEP § 2106 IV.B.I. 'Nonfunctional descriptive material' includes but is not limited to music, literary works and a compilation or mere arrangement of data." Id. While the signal may represent "nonfunctional descriptive material," music or a movie, claim 15 is not trying to claim the content of the material itself. The storage medium in claim 15 nominally puts the claim into the statutory category of a "manufacture" and the signal is "functional" because it can be used by a machine to produce a useful result, as with the "data structure stored in memory" in Lowry. Accordingly, we conclude that claim 15 is statutory subject matter. The rejection of claim 15 is reversed."

It should be noted that this decision of the Board was upheld by the CAFC in *In re Nuijten*, 84 USPQ2d 1495, 1498 (Fed. Cir. 2007):

"Finally, Nuijten's allowed Claim 15 is directed to '[a] storage medium having stored thereon a signal with embedded supplemental data,' where the stored signal has essentially the encoding properties described above. Thus, Nuijten has been allowed claims to the process he invented, a device that performs that process, and a storage medium holding the resulting signals."

Applicants submit that the encoded data as defined in claim 25 is analogous to the "signal with embedded supplemental data" of Nuijten, and as such, the encoded data of claim 25 is indeed functional descriptive material. Therefore, Applicants assert that the computer-readable medium having the encoded data recorded thereon, as claimed in claim 25, is indeed statutory subject matter.

Applicants believe that this application, containing claims 1-23 and 25-27, is now in condition for allowance and such action is respectfully requested.

Respectfully submitted,

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